

# **The G-20 Data Gaps Initiative: Overview and the Way Forward**

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**The G-20 Data Gaps Initiative  
G-20 Conference for Senior Officials  
IMF Headquarters, Washington, D.C.  
March 30-31, 2011**



The views expressed herein are those of the author and should not be attributed to the IMF, its Executive Board, or its management

# Plan of the Presentation

- I.** Why are we here?
- II.** Where are we now on the road to address data gaps?
- III.** Where should we go next?

# I. Why are we here?

## 1. A crisis happened with severe manifestations:

- Notably **severe** in terms of lost output and high unemployment.
- **Affected all the industrialized countries**, and a large number of emerging and developing economies
- Had a **high speed of propagation** worldwide revealing the interconnections across economies and markets.
- Involved **global systemically important financial institutions (G-SIFIs)**, with operations spreading across many instruments, markets, and sectors worldwide.

# I. Why are we here?

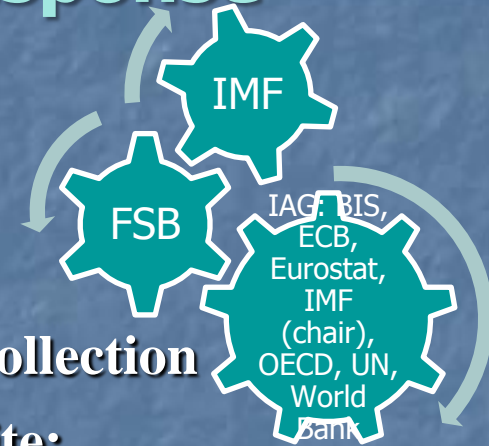
## 2. The crisis has data dimensions, it highlighted areas needing improvement as well as data gaps

- Highlighted critical importance of relevant statistics that are timely, consistent, and comparable across countries.
- Revealed additional statistical needs for proper financial stability analysis:
  - Identifying leverage and tail risks
  - Understanding interconnectedness:
    - Across sectors within an economy
    - Cross borders
    - Among G-SIFIs
- Identified room for improvement in the communication of official statistics.

# I. Why are we here?

## 3. There is an international response

- Establishment of the **Inter-Agency Group on Economic and Financial Statistics, IAG (2008)**
- **BIS, ECB, Eurostat, IMF (Chair), OECD, UN, WB**
- **Coordinate work on data gaps and strengthen data collection**
- **Established Principal Global Indicators (PGI) Website:**  
<http://www.principalglobalindicators.org/default.aspx>
- **G-20 request to the IMF and the Financial Stability Board (FSB) to explore gaps and provide proposals to address them to the G-20 Ministers of Finance and Central Bank Governors.**
- **Reports provided in November 2009 and June 2010; endorsed by the G-20 Ministers of Finance and Central Bank Governors and the IMFC.**
- **Data gaps identified and work plans and timetables endorsed by the G-20 Finance Ministers and Central Bank Governors.**
- **Additional report requested by June 2011.**



# I. Why are we here?

## 4. There is a consultation process including:

- **IMF/FSB G-20 Senior Officials Conferences:**
  - July 2009 and, March 2011 (you are here) Washington, D.C., USA
  - April 2010, Basel, Switzerland
- **IMF staff consultations with individual G-20 economies:**
  - Visits to and consultations with officials at Central Banks, Ministries of Finance, and National Statistics Institutes
- **These consultations help to shape the IMF-FSB report to the G-20 Ministers of Finance and Central Bank Governors**

## **II. Where are we on the road to address data gaps?**

- **Gaps were identified, 20 recommendations to address them provided**
- **Working plans/timetables were outlined**
- **Work is progressing in all 20 recommendations (you will be updated during this conference)**
  
- **...and the gaps were...**

## DATA GAPS

There Exist Conceptual/  
Statistical Frameworks  
and Ongoing Collection

Conceptual Statistical  
Framework Needs Further  
Development

Build-up of Risk  
in the Financial  
Sector

# 2 Financial Soundness  
Indicators (FSIs)  
#5 Credit Default Swaps  
#7 Securities

# 3 Tail Risk in the Financial  
System  
#4 Aggregate Leverage and  
Maturity Mismatches;  
#6 Structured Products

Cross-border  
Financial  
Linkages

# 10, #11, #12 Coordinated  
Portfolio Investment Survey,  
International Banking  
Statistics, International  
Investment Positions

#8 and # 9 Global Network  
Connections and Systemically  
Important Global Institutions  
# 13 and #14 Financial and  
Nonfinancial Corporations' Cross  
Border Exposures

Vulnerability of  
Domestic  
Economies to  
Shocks

#15 Institutional Sector  
Accounts  
# 17 Government Finance  
Statistics  
# 18 Public Sector Debt  
#19 Real Estate Prices

#16 Distributional Information

Improving  
Communication

#20 Principal Global  
Indicators (PGIs)



## **II. Where are we on the road to address data gaps?**

**In addition, the IMF's Data Standards were enhanced:**

- **IMF Executive Board approved enhancements to the IMF Special Data Dissemination Standard:**
  - **Seven Financial Soundness Indicators (encouraged)**
  - **Quarterly International Investment Position with one quarter lag (required after 4-year transition period)**
  - **External debt on a remaining maturity basis (encouraged)**

# III. Where should we go next?

## 1. Setting immediate objectives (2011-12)

- We need to move to further improving actual data collection and dissemination
  - Make better use of existing data
  - Enhance existing frameworks for data collection and dissemination and harmonize data reporting templates (some proposals to be presented at this conference)
  - Further enhance the PGI
- We need to coordinate data work with upcoming proposals and parallel exercises
  - Indicators being defined for the G-20 Mutual Assessment Process
  - Upcoming enhancements to the IMF's Data Standards

# **III. Where should we go next?**

## **2. Setting medium-term objectives (2012-14)**

- **Complete enhancements to existing statistical frameworks and data collection/dissemination**
  - **Make use of the implementation of recently updated methodologies (SNA2008, BPM6)**
- **Finalize development of new statistical frameworks and start collection and dissemination of new data**

# III. Where should we go next?

## 3. Be aware of constraints

- Work needs to be done (it will be bad if a new crisis highlights the same data gaps we are addressing), but there are constraints (budgets, staff, IT, skill mix):
  - Set priorities:
    - Cross-border interconnections (whom-to-whom data)
    - General government operations and positions data
    - Sectoral interconnections data
    - Leverage, maturity mismatches and shadow banking
  - Coordinate better:
    - Among international institutions (maintain coordination in the IAG)
    - Among agencies within countries

# **III. Where should we go next?**

## **4. Be aware of risks**

- **Momentum could be lost in addressing data gaps**
  - **Continue consultative approach with G-20 economies to monitor implementation progress and discuss challenges**
  - **Continue periodic reporting to G-20 Ministers of Finance and Central Bank Governors**
  - **Maintain close coordination among international institutions**

# IV. Concluding Remarks

- **Considerable progress** has been made in addressing data gaps:
  - G-20 economies are already addressing data gaps
  - Individual IAG agencies allocated to lead specific recommendations.
  - Communication of official statistics is improving (the PGI).
- **Data Dissemination Standards (GDDS and SDDS) have been strengthened (and further enhancements are under consideration).**
- **But challenges remain ahead:**
  - Implementation plans and timetables will need to be firmed up
  - Development of new data frameworks will need to be completed
  - Adequate resources need to be identified and allocated to statistical work
  - Coordination and collaboration—not only among IAG agencies, but also with and within national statistical agencies will need to be strengthened.
- **Let's continue this important work, it is necessary to better understand a global world and contribute to better policy making.**